



STATE OF UTAH
NATURAL RESOURCES
Oil, Gas & Mining

Norman H. Bangerter, Governor
Dee C. Hansen, Executive Director
Dianne R. Nielson, Ph.D., Division Director

• 355 W. North Temple • 3 Triad Center • Suite 350 • Salt Lake City, UT 84180-1203 • 801-538-5340

May 21, 1986

CERTIFIED RETURN RECEIPT REQUESTED
(P 402 458 372)

Mr. A. J. Cornell
President
Castle Valley Mining Company
P. O. Box 1240
Castle Dale, Utah 84513

FILE COPY

Dear Mr. Cornell:

RE: Reclamation Cost Estimate, Mining and Reclamation Plan, White
Cap #8 Mine, PRO/015/033, Emery County, Utah

As agreed at our joint meeting with you and Bob Randolph of the BLM on April 29, 1986 at the Division offices, we have developed a reclamation cost estimate for the proposed White Cap #8 gypsum minesite. Also enclosed are additional copies of the following surety (bonding) forms and reclamation contracts which are acceptable to the Division.

- (a) Joint DOGM/BLM Memorandum of Understanding which addresses joint bonding.
- (b) Bonding Companies Licensed To Do Business in Utah
- (c) Noncoal Bond Forms:
 - 1. MR-5 - Corporate Surety Bond
 - 2. Self Bonding and Indemnity Agreement
 - 3. Collateral Bonding and Indemnity Agreement
- (d) General Bonding Instructions
- (e) Self Bonding Qualification Sheet

On May 9, 1986 the Division sent a registered letter to you which enclosed a revised copy of your original MR-1 application. You were instructed to return the form after you had reviewed the revised application for accuracy, signed and notarized the same. To date, we have not received any response to this correspondence from you.

FILE COPY

Page 2
Mr. A.J. Cornell
PRO/015/033
May 21, 1986

The Division cannot proceed with issuance of tentative approval or with public notice until we receive the notarized revised application form, the map which was to have been submitted and a decision on the type of reclamation bond form you will file. You should also indicate if you prefer to bond initially for the full five (5) year permit term (i.e., \$29,660), or on a yearly renewal basis. Please refer to the second page of the enclosed bond estimate should you choose the yearly renewal option. The escalated dollar amounts are broken down on a yearly basis. This will show you the specific bond amount that would be required for each individual year of the 5 year permit term.

Please contact me or D. Wayne Hedberg should you have any questions or concerns regarding these remaining concerns. Upon receipt of the information outlined above, the Division will arrange for the 30-day public notice advertizement and prepare its tentative approval decision. In the interim, the processing of your application and issuance of a permit to commence mining operations is temporarily suspended.

Thank you for your cooperation in completing this permitting activity.

Sincerely,



L. P. Braxton
Administrator
Mineral Resource Development
and Reclamation Program

enclosures

LPB:dwh

cc: Bob Randolph
Neil Simmons
Brent Bradford

Ken May
Wayne Hedberg
Pam G.-Littig

8992R-58-59